GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:349
ANSWERED ON:14.08.2007
TAXATION ON INDIAN IMPORTS
Baxla Shri Joachim

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the restrictions imposed by USA such as increased taxation on Indian imports are affecting Indian exports;

(b) if so, the details thereof; and

(c) the reaction of the Union Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) to(c): The Generalised System of Preferences (GSP) programme of USA provides for the duty free importation of designated articles when imported from designated beneficiary developing countries. India is a designated beneficiary country. On June 29, 2007, the US Government published the President`s proclamation # 8157 to modify Duty Free Treatment under GSP. By this proclamation, five Indian products will no longer get GSP treatment from July 2007.Thus import of these products into USA will not be duty free.The details of the five products are

Sl.no	Product	Value of export in 2006 $ million	Duty rate applicable % after July 2007
1	Precious metals (o/than silver) articles of jewellery	2211.25	5.5
2	Wind powered electric generating sets	216.57	2.5
3	Colour television reception apparatus	26.28	5.7
4	Non-electric lamps & lighting fixtures of brass	17.30	3.9
5	Cucumbers including gherkins prepared/ preserved	14.73	9.6

Comments for continuation of GSP were submitted to the USA side and the issue was taken up by the Department of Commerce at bi-lateral meetings.